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Fauzia, Amelia

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Islamic Philanthropy in Indonesia: Modernization, Islamization, and Social Justice

Amelia Fauzia

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This article discusses the potentials and constraints of social justice philanthropy in Indonesia in the context of two trends – of growing Islamization and modernization. It employs interviews and recent observations together with survey data. Although the challenges facing social justice philanthropy remain immense, the pathways to development have been created; pathways through which the gap that exists between faith-based philanthropy and its secular counterparts may become smaller. Looking at growing philanthropization in the last 15 years and the pre-existing popularity of the concept of social justice among the population, could social justice and developmentalism may become the future of Islamic philanthropy in the country? The author argues that modernization and Islamization encourage the practice of philanthropy, but that they do not necessarily contribute to the development of a philanthropy that focuses on social justice. The modernization of the philanthropy sector has shown scattered pictures of development into a form of social justice philanthropy, which remains small but nevertheless encouraging.

Keywords: Development; Indonesia; Islamic Philanthropy; Islamization; Social Justice

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INTRODUCTION

At the turn of the 21st century the situation in Indonesia showed a kind of fever of Islamic philanthropy, which added to the existing local and Western private foundations. After two decades, the growing enthusiasm toward Islamic philanthropy in the country is unlikely to fade in the near future. It is a development that rose steadily out of the economic crisis of 1997 that preceded the fall of the New Order and that was later supported by the movement for political reformation and democratization (*Reformasi*). Various Islamic philanthropy organizations were established in the course of this process. It obtained another endorsement from the Islamization movement, via laws and other forms of legislation. The enthusiasm was further encouraged by the general Islamization that has been taking place in the country (Ricklefs, 2008, 2012). It received an unintended and painful 'blessing' from a series of large-scale disasters, from the 2004 Aceh tsunami through to earthquakes in 2007. And then finally, it earned high attention from the Indonesian government, although, whether this could be interpreted as positive or negative remains an open question. The government has recently been trying to embody *zakat* (almsgiving) into its development agenda,

something that the Suharto government had tried but failed since the end of 1960s in their efforts to incorporate Muslim charity with modernization and development. Additionally, Western private foundations and international development agencies have put in efforts to endorse and support the field. Since 2002, the Ford Foundation has supported the development of philanthropy with a social justice approach and purpose, for both secular and Islamic foundations and organizations.[1] Since 2004, the Australian organization AusAID has entrusted the two largest Muslim organizations, *Nahdlatul Ulama* and *Muhammadiyah*, with the tsunami disaster relief in Aceh. Later, these organizations strengthened their humanitarian and philanthropic divisions. In the last two years, international development agencies from the Islamic Development Bank (IDB), the World Bank, and the United Nations Development Programme (UNDP) have tried to assist in encouraging the direction of the Islamic philanthropy sector into development, including recent schemes for poverty reduction and Sustainable Development Goals (SDGs) (Noor & Pickup, 2017; Pickup, 2017).

Muslim philanthropy to benefit the public good has attracted many sectors and actors, from Muslim organizations and the state, to corporations and development agencies, each according to their own purposes (Fauzia, 2013; Latief, 2010, 2014). The potential amount of *zakat*, *sedekah* (donation), *waqf* (endowment), and other charitable forms have been mentioned in many research papers, conferences and reports (Abubakar & Bamualim, 2006; Kurniawati, 2004). The *National Development Planning Agency* and the *National Zakat Board* (BAZNAS) calculated the recent annual potential of *zakat* collection in Indonesia ranging from IDR 100 billion (USD 7.6 million) to IDR 286 trillion (USD 22 billion) (The National Zakat Board Center of Strategic Studies, 2016; Firdaus, Beik, Irawan, & Juanda, 2012). These do not include non-*zakat* donations and *waqf* assets. However, the de facto *zakat* collection by registered organizations is small and accounts for IDR 3.7 trillion in 2015 (The National Zakat Board Center of Strategic Studies, 2016, p. 9).

The concept of *social justice* has always been of interest to Indonesian scholars, starting with Hamka's *Keadilan Sosial dalam Islam* (Social Justice in Islam), published in 1966 and reprinted many times in almost every decade until recently in 2015. The concept was usually linked to the economy (Mubyarto, 1995) and to the movements of Islam (Madjid, 1987/2008), including to practices of Islamic philanthropy (Mas'udi, 1993). Sayyid Qutb's book, *Al-'adalah al-Ijtimaiyah fi al-Islam* (Social Justice in Islam), first published in 1949 and later translated into Indonesian language, has been the strongest inspiration for Indonesian scholars and activists on the idea of social justice. Apart from scholarly and activist discourse, the concept of social justice is rooted in the popularity of the state ideology *Pancasila,* especially its last principle.[2] *Pancasila* has been taught at schools and read out loud by students at their weekly school assemblies. In addition, it seems that experiences of injustices since the 19th century have encouraged the idea of social justice.

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1 The author was team leader of a research project on Philanthropy for Social Justice in Muslim Societies (including Indonesia), led by Syarif Hidayatullah Islamic University Jakarta from 2002 to 2004, funded by the Ford Foundation.

2 The five principles of Pancasila are: 1) the belief in one God, 2) a just and civilized humanity, 3) the unity of Indonesia, 4) democracy under the wise guidance of representative consultations, and 5) social justice for all the peoples of Indonesia.

Research on Islamic philanthropy for social justice by Syarif Hidayatullah State Islamic University conducted in 2003 (later referred to as the '2003 survey') finds that philanthropy has been practiced in a traditional way, but has certain potential for a social justice approach and aim (Abubakar & Bamualim, 2006). Following this study, a conceptual study on social justice philanthropy supports its potential practice in Muslim societies (Hasan, 2007). A possible transformation of the charity approach to social justice has been discussed by Fernandez (2009) and by the author (Fauzia, 2010a, 2010b). Looking at growing *philanthropization* in the last 15 years and the pre-existing popularity of the concept of social justice among the population, social justice and development may become the future of Islamic philanthropy in the country. But is one decade-and-a-half sufficient to show a convincing picture of the growth of social justice philanthropy? And what may contribute to or hinder its development? This article discusses the potentials and constraints of social justice philanthropy in the context of those twin forces of growing Islamization and modernization in Indonesia, focusing on the dynamics in the period from 2000 to 2017. The article defines Islamic philanthropy organizations as nonprofit entities which aim to provide public good and assistance for poor communities, either through organizations or directly to individuals, and which are based on Islamic values or having Islamic aims. The analysis for this article deliberately excludes mass organizations, except for sections within the organizations that clearly do fundraising, charitable management, and the redistribution of assistance. Both Nahdlatul Ulama and Muhammadiyah have smaller organizations, called *LazisNU* and *LazisMU* respectively, that collect and redistribute *zakat,* and also organizations that work on relief assistance. Furthermore, this article does not include *waqf* because they have a different character in terms of managing charitable resources, although theoretically *waqf* is regarded as having strong potential for social justice philanthropy.

In Indonesia, the practice of philanthropy has transformed over time and the term has different nuances. This article acknowledges the conceptual difference between *charity* and *philanthropy*. Whereas charity is understood as a service delivery for a short-term assistance, philanthropy is more of a long-term project that targets the root problems creating inequality and poverty (Casey, 2016). Since the difference between the terms is not seen clearly in practice in Indonesia, the term philanthropy is used here. Philanthropic organizations receive their main resources from donors (either from family donation, corporations, institutions, or individuals). They manage these resources and then (re)distribute them to beneficiaries, either directly or through other organizations.

This article uses observations of organizations as well as interviews.[3] To account for the limitations of these observations, it refers to data from a 2003 survey on understanding, opinion, and practices of Islamic philanthropy at the national level (Abubakar & Bamualim, 2006). The author finds that the modernization of the philanthropy sector has shown scattered pictures of development into a form of social justice philanthropy, which remains small but nevertheless encouraging. The author argues that modernization and Islamization encourage the practice of philanthropy

3 The author has been researching Islamic charitable organizations since 2002. Interviews used for this article have been conducted since January 2016 as part of a research project on Islamic philanthropy networks in Southeast Asia at the Asia Research Institute, National University of Singapore (NUS).

but that they do not necessarily contribute to the development of a philanthropy that focuses on social justice. In discussing this, the article is divided into four main sections: 1) Islamization, modernization, and social justice in philanthropy, 2) modernization of the organization and programs, 3) examples of social justice practices, and 4) potentials and constraints of social justice philanthropy, and 5) some concluding remarks.

ISLAMIZATION, MODERNIZATION, AND SOCIAL JUSTICE IN PHILANTHROPY

The history of philanthropy in the post-*Reformasi* period reveals a picture of modernization and Islamization. *Islamization* can be found in the deepening use of Islamic sources, the involvement of a greater number of Islamic organizations, the efforts toward more revivalist or conservative interpretations of certain practices, and the efforts to implement of *zakat* as an individual tax obligation to the state. Islamization is "a process of deepening commitment to standards of normative Islamic belief, practice and religious identity. Those standards are subject to contestation among groups and individuals" (Ricklefs, 2012, p. 516). The influence of Islamization has also increased charitable activities within Salafi networks from the Middle East to Indonesia. However, those activities are not as large as it has been assumed, and are exceeded by donations from local Muslims (Jahroni, 2015). *Modernization* in the practice of philanthropy manifests itself in the use of modern forms of organization, modern technologies, and a modern model of 'rational thinking' in the collection, organization, and distribution of various forms of charitable giving. Both Islamization and modernization have become imbedded in the recent, growing development of Islamic philanthropy in Indonesia.

Among Islamic organizations, the term philanthropy was new and was introduced through advocacy and the research program *Philanthropy for Social Justice* in 2002. Acceptance of this term and concept was not easy as it was regarded as secular and Western. However, to date, the term has been widely used, including by Islamic newspapers (such as *Republika*) and by *zakat* organizations. The adjective 'social' when applied to justice endorses the acceptance of the term philanthropy. However, as this article later shows, the common understanding of the term among philanthropy organizations varies and there have been varied local adaptations.

The practice of social justice philanthropy developed in the US as a continuation of the move from charity to philanthropy, and the move toward effective giving that endorses social change through intervention in the root causes of social problems (Anheier & Leat, 2006; Hunsaker & Hanzi, 2003; Rabinowitz, 1990). The *National Committee for Responsive Philanthropy* (NCRP) defines social justice philanthropy as "the practice of making contributions to nonprofit organizations that work for structural change and increase the opportunity of those who are less well-off politically, economically and socially" (Hunsaker & Hanzi, 2003, p. 6). This article follows the NCRPs definition but adjusts it to Indonesian and Islamic contexts. Islamic philanthropy for social justice works in terms of long-term grantmaking, social change, and inclusive giving. The 2003 survey, led by the author, did not only endorse giving for structural change and increase the opportunity of the weak, minority, and discriminated groups among society, but also highlighted the impartiality of giving without

discrimination with regard to groups, gender, ethnicity, and religion. These values were taken from the progressive understanding of Islamic teachings. The growing trend of modernization and Islamization in the last two decades needs an assessment of how the seeds of social justice philanthropy grew and to which direction these trends in Islamization and modernization stir the practice of philanthropy.

MODERNIZATION OF ORGANIZATIONS AND PROGRAMS

Philanthropy organizations have modernized since *Reformasi* in three important ways: 1) legal reform, 2) reform in management, and 3) reform in programs. The reformation period endorsed a legal reform related to philanthropy with the issuance of the Zakat Management Law No 38 in 1999 – later amended with Law No 23 in 2011, the Foundation Law No 16 2001 (amended in 2004), and the Waqf Law No 41 in 2004. Muslim philanthropic organizations crystallized into three main types. First, *zakat* organizations, these are organizations that focus on the collection and distribution of *zakat* and that are supposed to register under the Ministry of Religious Affairs and the National Zakat Board (BAZNAS). There are state-based *zakat* foundations (like BAZNAS) and community-based *zakat* foundations (like *Lembaga Amil Zakat* or LAZ).[4] These comply with the Zakat Law, even though they also manage non-*zakat* donations. Second, there are charitable and humanitarian organizations. These focus on the collection of non-*zakat* donations, they report to the Ministry of Social Welfare and are registered under the Foundation Law. The third type includes *waqf* foundations and bodies. They comply with the *Waqf Law* and they mainly manage *waqf* assets. These three types may also be legally registered as foundations or mass organizations, therefore complying with the Foundation Law or the Mass Organization Law. Additionally, there are *zakat* committees, or temporary committees working to collect *zakat* in mosques, Islamic schools, and neighborhood associations.[5] The three types of organizations have been endorsed to become modern in nature through laws and other government regulations, with expectations that they could work in a more effective and accountable way – not necessarily aiming for social justice. The move has been relatively successful for the non-*zakat* and *zakat* organizations, which as a result have more potential for social justice philanthropy.

The second reform is on the level of management. The adoption of modern management leads Islamic philanthropy organizations to use banking systems, hire full-time professional staff, improve organizational capacities, implement transparency and accountability principles, and have fundraising divisions. There has been a positive environment to do financial audits and publish reports, to provide an equal access for men and women, to do public fundraising, and offer the best service and programs to obtain public trust. The organizations also adjust to modern management by referring to contextual interpretation of Islamic teachings, for example, on the acceptance of banking systems that were previously regarded as unlawful

4 The total number of BAZNAS – from national, provincial, to districts – is 549 (Decree Director General for Guidance of Islamic Community No 499/2016). The approximate number of community *zakat* organizations – according to the General Secretary of Zakat Forum – is 231 (Amin Sudarsono, 28 August 2017).

5 The *zakat* committees at mosques approximately equal the number of mosques in the country, namely 731,095 (Langkah Strategis Meningkatkan Kualitas Masjid, 2017).

(*haram*) by some *ulama* (Islamic scholars) and organizations. The more modern the organization, the more it is open to women and to modern interpretations of Islamic teachings on philanthropy.

The third reform concerns programs. Most Islamic philanthropy organizations have expanded their activities into educational, health, disaster relief, economy, and socio-religious programs. Some leading organizations, such as *Dompet Dhuafa*, have created divisions for advocacy, provide grants for research and the publication of journals and books, and run research and training institutes on *zakat* management. Dompet Dhuafa also supports anti-corruption programs, advocacy for victims of evictions, and campaigns for environmental conservation. Following problems related to migrant workers, Dompet Dhuafa established a Migrant Institute and a branch in Hong Kong to provide assistance for female migrant workers (Abilawa, 3 February 2016) (see also Latief, 2014; also see this issue). These programs lead to the enhancement of practices of social justice philanthropy. This programmatic reform has broken the strong tradition of *zakat* giving, which is usually only for purposes related to religion and restricted to Muslims. Modern philanthropy organizations provide important means for the gradual inclusion of social justice in philanthropy practices. Traditional charity may also have a social justice value, for example, giving without discrimination and giving to underprivileged groups. The non-organized character of traditional giving, however, tends to keep social justice values low so that it could not change into effective and strategic social change. While modernization, especially programmatic expansion, has developed well, Islamic philanthropy organizations still keep traditional charitable activities in their programs, such as giving food and money to orphans, providing food for fast-breaking during Ramadan, and providing cash for Islamic preachers. In this respect, how organizations define social justice differs from one to another, as can be seen below.

EXAMPLES OF SOCIAL JUSTICE PHILANTHROPY

This section discusses examples of social justice philanthropy developed by Islamic philanthropy organizations and looks at the contexts from which these ideas and practices come. The first example discusses the establishment of non-*zakat* organizations, while the second and third show efforts for social justice philanthropy based on the *Indonesia Humanitarian Alliance for Myanmar* and the *World Zakat Forum*.

Establishment of Non-*Zakat* Organizations

As mentioned previously, there are charitable and humanitarian organizations which do not focus on *zakat*. This type of organization has flexibility in dealing with fundraising and managing donations that follow general regulations and not strict Islamic jurisprudence (*fiqh*) on *zakat*. Such organizations offer greater potential for social justice philanthropy.

One example is the *Yasmin Foundation* which was founded by the intellectual Chaidar Bagir, an expert on Muslim philosophy and Sufism. Yasmin was an abbreviation for *Yayasan Imdad Mustad'afin*, focusing on empowering the poor. In 2016, it changed its brand name into *Amal Khair Yasmin* and became a Corporate Social Responsibility (CSR) program of another of Bagir's institutions, namely *Mizan*

Publisher, which is known as a progressive Islamic publisher. Yasmin has a School Resource Centre, an Autis Therapy Centre, a health advocacy program, a second hand store, and many other activities. In early 2017, it advocated against hate speech and provided advice for polite communication, which seems to respond to social media hate speech against a Christian Chinese governor of Jakarta (Belajar Bicara Sopan Santun, 2017). For Yasmin, social justice means to give – not only to Muslims – and to appreciate minorities.

Philanthropy organizations that are similar to Yasmin are few in number. They are mostly founded by progressive Muslim intellectuals. Another example is the *Social Trust Fund* (STF).[6] Established in 2012, STF is founded and supported by academics of the Syarif Hidayatullah State Islamic University in Jakarta. Learning from the Ford Foundation and philanthropy in other countries, STF's advocates for 'philanthropy for social justice and peace' that promotes equality and diversity, but adapted to an Indonesian Muslim context (Philanthropy for Social Justice and Peace, 2013). It aims to provide opportunities for the less advantaged, regardless of their religious or ethnic background, in order that they can have better access to education and welfare. Its grants and activities include scholarships for schools in remote areas (in the 'Outer Islands') and peace scholarship grants for Muslim and Christian children in conflict zones (Social Trust Fund UIN JKT, 2014). It offers advocacy programs for empowering civil society and the philanthropy movement, such as supporting judicial reviews of the Zakat Law. STF's views reflect progressive Islam, as it has been influenced by Muslim scholars from Syarif Hidayatullah University. As seen from the above activities, STF advocates for giving without discrimination as well as for the support of minority groups, peace and religious harmony, and long-term development programs.

Although having the same Islamic values, these two examples represent a different cultural tradition than *zakat* organizations. They follow a more humanistic form of Islam, which avoids 'political Islam'. This position differs from many *zakat* organizations that approach their beneficiaries solely as Muslims and are therefore relatively close to political Islam and *dakwah* (Islamic propagation) movements.

Indonesian Humanitarian Alliance for Myanmar

The *Indonesian Humanitarian Alliance for Myanmar* (AKIM – *Aliansi Kemanusiaan Indonesia untuk Myanmar*) was created in response to the humanitarian crisis concerning ethnic Rohingyas in Rakhine State, Myanmar. The escalation of the conflict in October 2016 and in August/September 2017 resulted in more than 500,000 Rohingyas fleeing as refugees to Bangladesh.[7] Developed in early 2017 as a collaboration of Islamic philanthropy organizations and supported by the Ministry of Foreign Affairs, the alliance has accepted the minister's policy on 'soft diplomacy', which is based on mutual respect and does not interfere in another country's domestic affairs (Tomy Hendrajati, 30 November 2016). AKIM's approach is to "give to the people in need for

6 The author is one of the founders of this organization.

7 The crisis arose from a complexity of ethno-religious conflict between Rohingya-Muslims and Rakhine-Buddhists, and a conflict between the military junta and militant Islam, based on long-term discrimination and the negligence of the Myanmar government to recognize the Rohingya minority as citizens of Myanmar.

both societies, without any discrimination" – a policy that was endorsed by Minister Marsudi (22 January 2017) and articulated by a limited number of organizations.

This 'soft diplomacy' succeeded in making this alliance the only organization welcome to carry out humanitarian aid in Rakhine State. In January 2017, AKIM inaugurated two schools (renovated by one member of the alliance) (Kemenlu, 2017), and delivered aid given by the government (ten container trucks of food packages and sarongs). The alliance plans to help both Muslim and Buddhist refugees in Rakhine State in four areas: education (such as through schools and libraries), health (through medical training), economy and livelihood, and relief for two years at the cost of more than USD 2 million. The long-term development and inclusive approach made by this alliance could be part of a social justice approach.

AKIM is worth mentioning for two reasons: First, it could persuade a number of Islamic philanthropy organizations – some from conservative backgrounds – to bring assistance not only to Muslim-Rohingya's but also to Rakhine-Buddhist refugees. In fact, some of the money contributed for this project is *zakat* money (see the next section on *zakat* to non-Muslims), which means that they accept a more progressive interpretation and an inclusive approach to distribute *zakat* money also to non-Muslim beneficiaries. Second, it marks an acceptance of a long-term development program focusing on building peace rather than a short-term 'hit and run' approach that most organizations tend to engage in (see the low percentage of giving to long-term purposes in the next section).

The alliance has survived in the face of high politicization, from provocations of fundraising without clear objectives by individuals and unregistered organizations, as well as against reactions of hatred (such as those from radical organizations of the *Islamic Defender Front* (FPI) who launched a war, declared as a *jihad*, against the Rakhine Buddhists) (Hodge & Rayda, 2017; Kami, 2017). Despite strong conservative and non-inclusive harassment, the alliance maintained its position. Between March and August 2017, its membership decreased from 14 to 11 organizations but increased to 25 organizations later in September. Today, there is increased public support for the alliance, including from the Zakat Forum.[8] It remains premature to claim success for this alliance as an example of an inclusive and social justice practice of philanthropy, as we need to wait for a few years to confirm this. However, the project displays an early effort in a social justice approach toward giving that commentators need to take into account.

World Zakat Forum

The World Zakat Forum (WZF) is a network that consists of organizations, individual practitioners, and academics that together aim to enhance the practice of *zakat* worldwide. It was established in 2010, initiated by the Dompet Dhuafa and

8 The 11 organizations that signed the commitment are *Muhammadiyah Disaster Management Centre*, *Lembaga Penanggulangan Bencana dan Perubahan Iklim – Nahdlatul Ulama*, *PKPU Human Initiative*, *Dompet Dhuafa*, *Rumah Zakat*, *Dompet Peduli Ummat – Daarut Tauhiid*, *LAZIS Wahdah*, *Laznas Lembaga Manajemen Infaq* (LMI), *Aksi Cepat Tanggap*, *Lazis Dewan Da'wah Islamiyah Indonesia*, and Social Trust Fund – UIN Jakarta. More new members include four from social and humanitarian organizations, and ten *zakat* organizations.

supported by the National Zakat Board or BAZNAS (Purwakananta, 1 March 2017). The forum later received support from leading *zakat* organizations, including from organizations in Malaysia. It aims to be an institutional platform to support the further movement of *zakat* for the welfare of the *ummah* and "the glorification of Islam" (World Zakat Forum, 2017). It has held regular meetings to promote and enhance collaboration in *zakat* for poverty reduction. Previous conferences and meetings aimed at the engagement of practitioners, individuals, and *zakat* organizations from many parts of the world, and tried to endorse progressive interpretations of *zakat*, which still remains a big challenge.

Between 14 and 16 March 2017, the WZF held its fourth general assembly conference in Jakarta entitled "Strengthening the Role of *Zakat* as a Global Instrument to Eradicate Poverty" (World Zakat Forum International Conference, 2017) which was attended by about 300 participants (mainly from the national board of *zakat*) and representatives from 19 countries. Its local host was the National Board of Zakat. It held a plenary session on *zakat* and SDGs, and it signed a cooperation agreement with the UNDP and the National Development Planning Agency on *zakat* for development. Although the forum remains exclusive for Muslims and those who want to use *zakat* as a weapon against unbridled capitalism, liberalism, and for reinforcing solidarity among Muslim nations, its platform is quite open for collaboration with international development agencies, such as the UNDP. It somehow follows the schemes of international agencies in the question of how *zakat* could be used effectively for development – specifically for poverty eradication – and fits with goals for sustainable development. The move toward *zakat* for development is made possible through the leadership of BAZNAS and Dompet Dhuafa. This move is in accordance with the value of social justice philanthropy. For *zakat* organizations, agreement on the tools of SDGs and the development agenda indicates a big leap that may advance the agenda of social justice. Although it is not clear how this forum could further endorse *zakat* organizations toward a social justice agenda, it shows a path toward the transformation of *zakat* for development aims.

POTENTIALS AND CONSTRAINTS FOR SOCIAL JUSTICE PHILANTHROPY

The examples above reveal the potential for the further development of philanthropy of social justice. This, to some extent, echoes several findings of the 2003 survey. First, looking at social capital and the principle of social justice, the survey finds that Muslims in Indonesia have the potential to develop social justice philanthropy. It finds that more than 65% of Muslim respondents agree on certain principles of social justice, such as the importance of obtaining and securing rights, income equality, women's rights, minority rights, and freedom of expression (Abubakar & Bamualim, 2006). Almost all Muslim respondents agree on the need to support equality and to have freedom of expression. It is clear that Muslims are quite rational in responding to values of income justice, such as the agreement that income should be based on skill and talent, and that income equality may reduce or prevent social conflicts. The concern of Muslims in this survey over women's rights and the rights of minority groups are also moderately high, with over 70% expressing such concerns. However, these concerns and levels of support do not necessarily achieve congruence with the target

of giving. As mentioned in the previous section, a strong religious motivation and a traditional pattern and practice of giving have not brought the generosity of Muslims to match the purposes of long-term social justice.

Second, the tendency toward social justice can also be seen from the motives for giving. A total of 11% of respondents stated that they give for 1) discharging 'the rights of the poor', 2) reducing poverty, and 3) helping the government to increase community wellbeing. These motives show evidence of concerns over other people's rights and welfare, which is itself an indicator of the potential of social justice philanthropy.

Third, the target of giving to social justice purposes is low, even marginal. Muslims give their *sedekah* directly to recipient organizations, ranging from schools to Islamic associations and organizations working on human rights. However, while 94% of Muslims donate to religious organizations, only 3% of them donate to human rights organizations, 11% donate to women's organizations, and 11% to environmental organizations. Giving to organizations is determined by religious affiliation and neighborhood attachments. This shows the domination of a traditional pattern of giving. What is clear is that issues related to the empowerment of human rights, or to women and labor rights, do not attract much attention from Muslim donors. Advocacy activities are somehow too abstract, so they are not popular targets of giving among Muslim donors. In the same way, giving for 'long-term purposes', which has the character of social justice philanthropy, is also not popular. Indeed, persuading and fundraising for social justice projects is a challenging task.

The crucial question – fourth – is whether religion becomes a constraint for the development of social justice philanthropy. The 2003 survey shows that religion is an important cause for giving, and that Muslims who donate to religious causes also tend to donate to social causes.

Analyzing the pattern of donors for neighborhood associations, I find that two thirds of the Muslims surveyed donate to both religious and secular causes, whilst only about one third donate solely to religious organizations (Fauzia, 2010b, p. 61).

This finding shows a similar picture to that in the US, where religious people are most likely to give, and that the person gives not only for religious causes but also to secular causes (Wuthnow & Hodkinson, 1990). In the Indonesian context, data is similar to that of Mujani's (2004) thesis, which finds that Muslims who participate in religious activities will also participate in secular and community activities. This implies that Muslims also donate to non-*zakat* and humanitarian organizations (such as discussed in the previous section) as well as to secular NGOs. For example, in the aftermath of the tsunami in Aceh, the SCTV (TV News) Foundation attracted a huge amount of donations for the victims of the tsunami (Kehati, 2005).

As one important element of social justice is the principle of non-discrimination, a further question is whether Muslims agree with the notion of giving to others without considering their religion. Survey results show that 77% of the respondents find no problem with this (Fauzia, 2010b, p. 61).

However, when the survey asked a more detailed question related to the possibility of *zakat* money being given to non-Muslims, half of the Muslim respondents (51%) voiced their objections, while 45% of the respondents agreed that money could be given to non-Muslims, and 4% did not answer. Six percent of the respondents stated that they had already given *zakat* to non-Muslims (Abubakar & Bamualim,

2006, p. 186). A possible hindrance to non-discriminative giving is related to interpretations of *zakat* (almsgiving), which is generally regarded as being given strictly to Muslim beneficiaries, following conservative practices – although contextual and progressive interpretation, such as that by An-Naim & Halim (2006), has permitted *zakat* to be used for anyone who is in need. There are also many other forms of charitable donations that are not subject to such strict and detailed regulations such as *sedekah*. The 2003 survey data confirm that non-*zakat* organizations have greater potential for social justice philanthropy. This hindrance caused by interpretation does not diminish or detract from the humanitarian values of Muslim donors. The survey found that 73% of Muslim respondents shared a concern to improve their attitude toward minority groups. When they were asked the challenging question on their agreement as to whether or not to give to causes outside the traditional mainstream, their answers remained positive. 38% of Muslim respondents wanted to give to non-Muslims, 83% wanted to give to refugees, 56% agreed on the need to save sexual workers who were forced to work by giving them support, and 37% were even willing to give to victims of HIV/AIDS (Abubakar & Bamualim, 2006, p. 186). The willingness to give to and work on HIV-related projects was not typically supported, however, Nahdlatul Ulama and Muhammadiyah had proved it was possible. Both organizations collaborated with the Global Fund to fight HIV, TB, and Malaria (Rae, 2017), and this example, together with the survey findings and case studies discussed, build a picture of the potential for social justice philanthropy, especially in larger organizations. Many organizations remain very strict or too careful in their interpretation and tend to follow the mainstream understanding, but a number of organizations have stepped up their work for the social justice practices of philanthropy.

CONCLUDING REMARKS

While a majority of Indonesian Muslims preserve a traditional way of giving, the innovation and reform pioneered by modern Islamic philanthropy organizations contribute to the transformation of the sector. Recent developments in the practice of Islamic philanthropy discussed in this article have shown encouraging features from both recent case studies and the 2003 survey data. The contribution of modernization to legal reform, management, and to the program innovation of philanthropy organizations has increased the possibility of philanthropy for development and social justice, but remains very premature. Islamization encourages the practice of Islamic philanthropy, but it also impedes it due to the dominance of strict, traditional interpretations of jurisprudence (*fiqh*), and to the politicization of Islam.

The trend toward modernization has not necessarily led to thoughts that are inclusive. Both modernization and Islamization bring a notion of social justice philanthropy. Progressive thoughts may arise from any religious tradition and a social justice perspective does not necessarily imbed itself in either modernization or Islamization, but in the progressive thoughts inherent within the religion. This is similar to the argument that modern philanthropy is not necessarily socially just. Even though modern philanthropy has potential in the addressing of social justice, in reality some of these thoughts are only modern in terms of aspects of their outlook; their concern is far from addressing injustices.

In Indonesia, traditional – and strict – religious behaviors have complicated modern program management, and have hindered long-term structural programs as organizations face difficulties in adapting *fiqh* regulations established in the eighth and ninth century cultures of the Middle East to the modern situation of Indonesia. However, efforts toward reinterpretation have been on the way, not only in Indonesia (Abidin, 2004), but also in international Islamic agencies (Shirazi, 2014). Practices of Islamic philanthropy with an inclusive approach, non-discrimination, and long-term structural programs have been seen here and there, including in the establishment and support given to non-*zakat* philanthropic organizations and forums/associations.

The transformation toward social justice philanthropy has benefited from dialogs and exchanges between Islamic philanthropy organizations and secular ones, as well as with other faith-based organizations that are concerned with the agenda of social justice. Indeed, there are many charitable foundations, such as media-based, CSR, and family foundations that come from different spheres than *zakat* organizations but whose work is similar or complementary in intention and character. From the exchange initiated between 2002 and 2004, Islamic philanthropy organizations learned from the development of the philanthropy sector in Indonesia, Asia, and the US, and about various issues such as environment and advocacy. It is likely that this dialog contributed to the discreet acceptance of the term 'philanthropy'. *Zakat* organizations continue to engage with secular NGOs and work on public policies, on anti-corruption, on consumer affairs, on the empowerment of women, and on issues of social justice.

Overall, while not rapid, the continuance of the development toward social justice philanthropy has been clear. The account that asserts that religious charities have more interest in promoting their own confessions (Benthall & Bellion-Jourdan, 2014) may continue to be challenged step by step by a more vibrant, inclusive philanthropy. The future of social justice philanthropy remains possible but will depend on a stable political and economic situation, support from the state, and the existence of a strong civil society.

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ABOUT THE AUTHOR

Amelia Fauzia is a visiting senior research fellow at the Asia Research Institute, National University of Singapore, working on Islamic philanthropy networks in Southeast Asia. She is a lecturer at Syarif Hidayatullah State Islamic University.

▸ Contact: ameliafauzia@uinjkt.ac.id

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